February 17, 2021

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1501

Page 1, line 3, replace "retail marijuana and retail marijuana" with "usable marijuana and adult-use cannabis"

Page 1, replace lines 9 through 22 with:

- "1. "Adult-use cannabis business" means a manufacturing facility or dispensary.
- 2. "Adult-use cannabis product" means adult-use cannabis, adult-use cannabinoid concentrates, or adult-use cannabinoid products sold to an adult-use cannabis consumer under chapter 19-24.2.
- 3. "Department" means the state department of health.
- 4. "Dispensary" means an entity registered by the department under chapter 19-24.2 as an adult-use cannabis business authorized to sell adult-use cannabis products.
- 5. "Manufacturing facility" means an entity registered by the department under chapter 19-24.1 and 19-24.2 that is authorized to produce and process cannabis and to sell usable marijuana and adult-use cannabis products to a dispensary.
- 6. "Person" means any individual, firm, fiduciary, partnership, corporation, limited liability company, trust, or association however formed.
- 7. "Usable marijuana" has the meaning provided in section 19-24.1-01."
- Page 1, line 23, replace "Retail marijuana manufacturers and stores to be licensed" with "Adult-use cannabis permit and bond requirement"
- Page 2, line 1, replace "the" with "or conducting"
- Page 2, line 1, remove "of selling retail marijuana or retail marijuana"
- Page 2, line 2, replace "products" with "as an adult-use cannabis business"
- Page 2, line 2, remove "secure a license from the state department of health before"
- Page 2, replace lines 3 through 7 with "file with the tax commissioner an application for a permit. Every application for a permit must be made on a form prescribed by the tax commissioner and must identify the business name, the location of the applicant's place or places of business, proof of registration with the department, and other information required by the tax commissioner. The application must be signed by the owner if a natural person; in the case of an association, partnership, or limited liability company, by a member or partner; and in the case of a corporation, by an executive officer or other person specifically authorized by the corporation to sign the application. A permit is not assignable and must be displayed conspicuously at the place of business"
- Page 2, line 20, replace "retail sales and use tax" with "adult-use cannabis business"

- Page 3, remove lines 1 and 2
- Page 3, line 3, replace "Revocation of license Penalty" with "Suspension or revocation of registration certificate and permit"
- Page 3, line 4, remove "state"
- Page 3, line 4, remove "of health"
- Page 3, line 4, after the first "may" insert "suspend or"
- Page 3, line 4, replace "<u>license</u>" with "<u>registration certificate and the tax commissioner may</u> suspend or revoke the permit"
- Page 3, line 4, remove "retail marijuana manufacturer"
- Page 3, line 5, replace "or retail marijuana store" with "adult-use cannabis business"
- Page 3, line 6, remove "state"
- Page 3, line 6, remove "of health. When a license has been"
- Page 3, remove line 7
- Page 3, line 8, remove "not sell any retail marijuana or retail marijuana products after the license has been revoked"
- Page 3, line 9, replace "Retail marijuana" with "Dispensary"
- Page 3, line 10, remove "retail marijuana"
- Page 3, remove line 11
- Page 3, line 12, replace "this state" with "adult-use cannabis products. The tax is measured by a dispensary's gross receipts derived from the sale of adult-use cannabis products, exclusive of any discount or other reduction"
- Page 3, line 13, replace "The tax on medical" with "Gross receipts of usable"
- Page 3, line 13, replace "stores is" with "and adult-use cannabis products are"
- Page 3, line 13, after "to" insert "the tax imposed under 57-39.2 or"
- Page 3, line 13, remove "A local"
- Page 3, line 14, replace "jurisdiction" with " 3. A political subdivision"
- Page 3, line 14, after "a" insert "local option"
- Page 3, line 14, replace the first "retail" with "usable"
- Page 3, line 14, replace "or retail marijuana" with "and adult-use cannabis"
- Page 3, line 16, replace "Retail marijuana manufacturer excise tax" with "Manufacturing facility gross receipts tax imposed"
- Page 3, line 17, replace "fifteen" with "ten"
- Page 3, line 17, replace the first "retail" with "usable"
- Page 3, line 17, remove "retail"
- Page 3, line 18, replace the first "marijuana" with "adult-use cannabis"

- Page 3, line 18, replace "<u>retail marijuana manufacturer to a retail marijuana store</u>" with "<u>manufacturing facility to a dispensary</u>"
- Page 3, line 19, replace "manufacturer's" with "manufacturing facility's"
- Page 3, line 19, replace the first "retail" with "usable"
- Page 3, line 19, remove "retail"
- Page 3, line 20, replace "marijuana" with "adult-use cannabis"
- Page 3, line 20, replace "store" with "dispensary"
- Page 3, line 21, replace "Retail marijuana manufacturer and store" with "Filing of"
- Page 3, line 21, remove " requirement"
- Page 3, line 22, remove "retail marijuana"
- Page 3, line 23, replace "manufacturer and a retail marijuana store" with "manufacturing facility"
- Page 3, line 25, replace the first "retail" with "usable"
- Page 3, line 25, replace "or retail marijuana" with "and adult-use cannabis"
- Page 3, line 26, after "products" insert "to dispensaries"
- Page 3, line 31, replace "57-36.2-28" with "57-36.2-08"
- Page 4, line 3, after "2." insert "On or before the last day of the month next succeeding each month, a dispensary shall prepare a return for the preceding month in the form and manner as may be prescribed by the tax commissioner, showing the gross receipts from the sale of adult-use cannabis products, the amount of the tax for the period covered by the return, and any other information as the tax commissioner may require. The tax commissioner, upon request and a showing of good cause, may grant an extension of time not to exceed thirty days for filing a return. If the extension is granted, the time required to make a payment must be extended for the same period of time, but the amount of interest imposed under section 57-36.2-08 applies to the amount of the deferred payment from the date the tax would have been due if the extension had not been granted to the date the tax is paid.

3."

- Page 4, line 3, replace "manufacturer, store" with "manufacturing facility, dispensary"
- Page 4, line 8, replace "<u>retail marijuana manufacturer and retail marijuana store</u>" with "<u>manufacturing facility and dispensary</u>"
- Page 4, line 9, remove "retail"
- Page 4, line 10, replace "<u>marijuana manufacturer and retail marijuana store</u>" with "<u>manufacturing facility and dispensary</u>"
- Page 4, line 13, replace "a" with "an adult-use cannabis"
- Page 4, line 13, remove "licensed under this chapter"
- Page 4, line 16, replace "marijuana retail store or retail marijuana manufacturer" with "manufacturing facility or dispensary"
- Page 4, line 18, replace "retailer" with "adult-use cannabis business"

Page 5, line 10, replace "under the marijuana retail gross receipts tax" with "from the tax collected from dispensaries under this chapter"

Page 5, line 11, remove "retail"

Page 5, line 12, replace "marijuana store" with "dispensary"

Page 5, line 16, replace the first "retail" with "usable"

Page 5, line 16, replace "retail marijuana" with "adult-use cannabis"

Page 5, line 18, remove "a"

Page 5, remove line 19

Page 5, line 20, replace "marijuana products" with "House Bill No. 1420"

Renumber accordingly